

State Employee Benefits Advisory Council Meeting
November 15, 2012
Statewide Benefits Office
Dover, Delaware

The State Employee Benefits Advisory Council met on November 15, 2012 in the Statewide Benefits Office, 500 W. Loockerman St., Suite 320, Dover, Delaware. The following Council members and guests were present:

Brenda Lakeman, OMB, SW Benefits, Director
Pat Griffin, Chair, SEBAC, AOC
Marsha Carson, SEBAC, DOS

Mary Cooke, SEBAC, DOE
Mary Thuresson, OMB, SW Benefits
Paula Roy, Roy Associates

Ms. Griffin called the meeting to order at 3:05 p.m.

Approval of Minutes – (handout)

Ms. Griffin asked for a motion for approval of the July 16, 2012 minutes. Ms. Cooke made the motion and Ms. Carson seconded the motion. Upon unanimous voice vote the minutes were approved.

Update of SEBC Activities

Ms. Lakeman reviewed the SEBC agenda items for November 16, 2012. The Medicare D Prescription Plan welcome kits were sent out last week. This plan is regulated by the Centers for Medicare Services who has to approve enrollment for each member. Explanation was given regarding Medicare eligibility for those who are 65 and still working for the state and their spouses. Letters are going to be sent out to active employees who are 45 plus years old. The letter will inform them about Medicare enrollment, how it works and what they have to do to enroll.

Flexible Spending Account (FSA) Open Enrollment (OE) - over 1,700 employees to date have enrolled. There are 900 in dependent care. These enrollment numbers are low, however, many people wait until the last week to enroll. A reminder email will go out Friday. It was undetermined if open enrollment would be extended.

Group Universal Life (GUL) OE - 600 applied who were not already enrolled. Meetings for GUL/FSA OE were held November 7, 8 and 9th in all three counties. Approximately 125 attended. There have been a lot of phone calls concerning the life insurance. The deadline for both is November 21st.

A copy of the Fund and Equity Report was reviewed and discussed.

An overview with discussion, questions and answers for the Affordable Care Act Compliance (handout) was given by Ms. Lakeman. The main topics within the handout included:

- Coverage mandates
 - An overview of Grandfathered Status
 - Delaware Plans' Grandfathered Status and what triggers loss
 - Coverage mandates applicable to all plans
 - Coverage mandates for non-grandfathered plans
- Other group health plan mandates effective in 2014
 - New summary of benefits and coverage

- Advanced notice of material modification
 - Account-based health plans
- Taxes/Fees/Assessments, and Rebates
 - Early Retiree Reimbursement Program
 - Comparative effectiveness research fees
 - Payments to Temporary (2014-2016) reinsurance programs
 - Excise Tax – 2018
- Reporting and disclosure requirements
 - Form W-2 Reporting
 - Notice/reporting requirements
 - Reporting of health coverage
- Exchange related requirements
 - Exchanges
 - Individual mandate
 - Employer shared responsibility penalty
 - Automatic enrollment
- Health care reform – chronology (CY2013 and CY2014)

Ms. Cooke asked who/how would the new fees for comparative effectiveness research would be paid. Ms. Lakeman stated it would be paid from the health fund.

It was specifically pointed out that in the future if employees upon initial eligibility or at open enrollment do not enroll for health coverage and do not sign a waiver form they will need to be enrolled. In relation to the health coverage and health fund, Ms. Cooke asked if there was any legislation that will affect the state. Ms. Lakeman gave a reminder about the Autism Mandate which will add costs, as yet undetermined as to the amount. The first year will be reasonable but as more providers are added costs will rise.

Explanation of the Group Health Program Clinical Dashboard Reporting and Metrics was given by Ms. Lakeman. This tracks chronic conditions of employees enrolled in the state health plans and eligible for condition management. Disease state is stratified and shows how costs for those with chronic conditions increase. If the costs can be controlled the state won't need to shift costs to cover these expenses.

There will be no issues needing an SEBC vote at tomorrow's meeting. There is a December 14th SEBC meeting scheduled. Possible agenda items include rule updates/cleanup and a few other items. SEBAC will meet next on December 12th.

SEBAC Comments to SEBC

None.

Public Comment

None.

Other Business

Discussion about the upcoming 2013 SEBAC meeting schedule followed. The consensus was that Mondays or Thursdays would be the best days to hold SEBAC meetings.

Ms. Lakeman stated Frederika Jenner resigned from the SEBAC. Delaware Code states SEBAC can have up to ten members. She will contact Lydia Prigg at the Governor's Office to see if additional new members can be appointed to have a cross section of members including union representation on the committee.

Ms. Griffin asked for a motion to adjourn. Ms. Carson made the motion and Ms. Cooke seconded the motion. Upon a unanimous verbal approval the meeting adjourned at 4:14 p.m.

Respectfully submitted,

Mary Thuresson
Administrative Specialist
Statewide Benefits, OMB